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January 17, 2013

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, DC 20554

***Via Electronic Filing***

**Re: MB Docket No. 09-182, 2010 Quadrennial Review – Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996; MB Docket No. 07-294, Promoting Diversification of Ownership in the Broadcasting Services**

Dear Ms. Dortch:

On January 15, 2013, I spoke by telephone with Dave Grimaldi, Chief of Staff and Media Legal Advisor to Commissioner Clyburn, regarding matters in the above-captioned dockets.

I briefly summarized Free Press’s positions in these proceedings, as articulated in both our initial and reply comments filed in March and April 2012, as well as our more recent Form 323 Summary Report comments filed over the course of the last month. In each of these submissions, we have described the harm that media consolidation causes to journalism and diversity alike. I noted, however, that we have focused especially in our several filings on the problems that would arise from proposed changes to the Newspaper-TV cross-ownership ban.

I reiterated that, before the Commission alters these rules, it must adequately analyze the impact of such changes on broadcast ownership opportunities for women and people of color. If the Commission were to relax these rules before conducting and completing a proper analysis of the likely effects, it would violate the Third Circuit’s directives on this issue in the *Prometheus II* decision. The consensus on this point is evidenced in letters and filings opposing such action from more than sixty members of Congress, along with those from more than forty civil rights, labor, and media reform organizations collectively representing millions of constituents.

As Free Press and others have shown consistently on the record here, concentration inexorably decreases the amount of news produced in a consolidating market, as well as the opportunities for diversity of ownership and viewpoint. To address deplorably low levels of ownership for women and people of color illustrated in the Form 323 Summary Report and our comments, the Commission should first decline to allow for still more consolidation. The Commission can and should fund forward-looking studies on methods to promote diversity in the broadcast bands; yet simply allocating funds now for future research cannot possibly satisfy the Third Circuit’s mandate in *Prometheus II*.

Finally, I discussed the harms of local media consolidation stemming both from cross-ownership and from lax local ownership limits. In this context, I noted that the number of stations a single entity may own and operate in a market should be reconsidered in light of Commission actions to decrease the number of broadcast television stations through the upcoming incentive auction.

Turning to the topic of Shared Service Agreements (SSAs) and other contracts between putatively separate stations, I suggested that the draft item's reported focus on Joint Sales Agreements (JSAs) is puzzling. News co-production and "sharing" arrangements seem more likely to allow for control or influence over another licensee's programming than do JSAs, in which one station sells advertising for another. Like mergers and explicit cross-ownership arrangements often posited as ways to preserve viewpoints and salvage journalism, SSAs and other covert consolidation agreements do just the opposite. Similarly problematic are agreements that allow for joint negotiation of retransmission consent, which – like news-sharing arrangements – eliminate competition and distort the local media marketplace.

We file this *ex parte* notice today pursuant to Section 1.1206(b) of the Commission's rules. If you have any questions regarding this submission, please do not hesitate to contact me.

Respectfully submitted,

/s/ Matthew F. Wood

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cc: Dave Grimaldi